# CITY OF NEW ORLEANS CHIEF ADMINISTRATIVE OFFICE

# **POLICY MEMORANDUM NO.12 (R)**

TO: All Departments, Boards, Agencies and commissions

FROM: Andrew Kopplin, First Deputy Mayor and Chief Administrative Officer

SUBJECT: WORKERS' COMPENSATION BENEFITS

Date: February 14, 2013

## I. PURPOSE

This memorandum is revised to include the City's early return-to-work and transitional duty policy. Also included are current information on the law governing workers' compensation, the procedures for City employees who may be eligible, and the Second injury fund.

#### II. CLAIMS MANAGEMENT

The City of New Orleans has contracted with Hammerman & Gainer, Inc., (HGI) to act as third party administrator and claims management service to manage the claims procedure and to provide workers' compensation benefits to eligible City employees in accordance with Louisiana Worker's Compensation statute and policies and procedures approved by the City of New Orleans. Generally, all City employees are covered under the City's workers' compensation program.

# III. PROCEDURES

a. Immediately following the occurrence of a job related injury, the injured employee's agency must ensure that an Employer Report of Injury/Illness Form (1007) is prepared and promptly distributed. Copies of Form 1007 may be obtained from HGI. Form 1007 must be signed by the appointing authority or designee. Form 1007 must be forwarded promptly to HGI, 1010 Common St., Suite 2600, New Orleans, La. 70112. A photocopy of the form should be retained for the department's record. The form must be forwarded immediately so that HGI can comply with Louisiana Revised Statue 23:1306 which requires that an Employer's Report of Occupational Injury or Disease form be submitted to the Louisiana Department of Labor, Office of Workers' Compensation Administration within ten days of actual knowledge of injury resulting in death or in lost time in excess of one week after the injury. The penalty for late submission of this form is a \$100 fine per incident. This form should be typed if doing so will not cause undue

delay in submitting the form to HGI for processing. If time limitations preclude typing the report, it should be printed legibly.

b. HGI is responsible for determining if an employee is eligible for workers' compensation, payment of compensation benefits, and medical bills. HGI is authorized to use appropriate means to investigate claims, refer employees to physicians, and certify that employees are able to return to work when medically appropriate. Any information relating to on-the-job injuries, such as medical bills, medical reports, or other documents, should be promptly forwarded to HGI.

HGI is authorized by the City to make all physician referrals related to on-the-job injuries or illnesses. Departments shall contact HGI for the names of approved medical provider (f) referral of employees for emergency treatment. In no case, shall a department refer an employee to a medical provider for any medical services other than emergency treatment. HGI has authority to refer City employees to a medical specialist where necessary.

The City has the right to require an injured employee to be examined by a physician provided and paid for by the City, as soon after the accident as demanded, and as often as may be reasonably necessary thereafter.

The City also has the right to require that an employee submit to drug and alcohol testing immediately following a job-related accident. If an employee refuses to submit to testing immediately following a job-related accident, it shall be presumed that the test result would have been positive. Workers' compensation benefits will not be paid when an employee tests positive after an accident, unless the employee proves that the substance identified by the test was not a contributing cause of the accident.

The employee may select one doctor of the employee's choice in each specialty field necessary for the job-related injury; however, the employee must receive prior approval from HGI for any services cost above a total of \$750 per provider. This limitation applies to doctors, hospital services, prescription, physical therapy, laboratory tests, and any other medical services.

HGI may require the employee to submit to an examination by a physician of the city administrator's choice. Failure to submit to any reasonable examination may cause compensation payments to be suspended until the employee complies with the examination.

Whenever the employee submits to any type of medical examination at the request of HGI, and a medical report is received by the employer, the employee is entitled to a copy of the written report within thirty days from the date of written demand upon the employer and at no cost to the employee. The employee is also entitled to receive any medical information released to the City by a health care provider.

HGI is required to pay all approved reasonable and necessary expenses for medical treatment and the travel to obtain treatment. Any services over \$750 and any non-

- emergency hospitalization must be pre-approved by HGI. If an employee has paid any medical expenses, itemized receipts should be sent to HGI for reimbursement.
- c. In accordance with the State of Louisiana Workers' Compensation Law, an injured employee is not entitled to weekly compensation benefits for the first week out of work. In cases where disability continues for two weeks or longer after the accident, compensation for the first week shall be paid after 14 days of disability. If an employee sustains a job-related injury for which he or she is entitled to workers' compensation, the employee may be able to receive a regular full paycheck if the employee has a sufficient amount of accumulated sick or annual leave. The first week out of work shall be reflected on the payroll as a full charge to sick leave, annual leave or leave without pay. After the first week, if the disability continues and HGI has determined that the employee is entitled to receive workers' compensation benefits and an employee has sufficient sick and annual leave, the difference between the compensation benefits due the employee and his regular base pay can be charged to the sick or annual leave, if so desired by the employee.

#### IV. EARLY RETURN TO WORK AND TRANSITIONAL DUTY

The City is committed to assisting an employee on workers' compensation return to work as early as possible. The employee should be assigned transitional duty in the original department when medically approved. Transitional duty, sometimes called light or modified duty, allows the injured employee to return to work, minimize the length of the disability period, and perform work within the limits of the employee's physical restrictions. Please see the Workers' Compensation Early Return-to-Work/Transitional Duty Program Instructions and Procedures at the end of this document. Further details and specific instructions for the transitional duty program may be obtained from the CAO's Office.

#### V. RESPONSIBILITY OF SUPERVISORS

It is the responsibility of all supervisors within City departments and agencies to enforce rules and regulations concerning employees under their authority. It is the supervisor's responsibility to ensure that personal protective equipment issued to employees is worn, that unsafe acts or practices of employees are not tolerated, that safe working conditions are maintained, and that the work area is kept free of hazards, that supervisor reports of any job-related injury are completed, attached and forwarded with the Form 1077, and that transitional duty opportunities are found for the employee when recommended.

## VI. BULLETIN BOARD POSTERS

Louisiana Revised Statue 23:1302 provides that a bulletin board notice with instruction as to what an employee should do when injured at work <u>shall</u> be posted at some <u>convenient</u> and <u>conspicuous</u> point about the place of work. Appointing authorities must post a copy of the notice to <u>all</u> work sites.

#### VII. WORKERS' COMPENSATION LEAVE CHARGE

The percentage of leave charged to workers' compensation depends on the employee's salary at the time of the accident and the minimum and maximum compensation benefits under state law at the time of the accident.

Under state law, the minimum and maximum compensation benefits are adjusted annually effective September 1. A circular memorandum will be issued annually to provide a workers' compensation charge/leave schedule to reflect these new minimum and maximum compensation benefits. Departments should retain a record of the daily compensation benefit to which an employee is entitled in order to facilitate calculations of the hours charged to workers' compensation leave and the hours charged to sick, annual or leave without pay if an employee's salary changes after the date of injury.

# VIII. SECOND INJURY FUND

The Louisiana Workers' Compensation Second Injury Fund, in which the City participates, will compensate the employer for part of the workers' compensation cost paid to an already partially disabled employee who is injured on the job. When a partially disabled employee is hired, the hiring department must complete the Second Injury Fund Medical Questionnaire and notify the Office of Risk Management at (504) 658-8600.

## IX. **INQUIRIES**

Any questions concerning this memorandum should be addressed to the Office of Risk Management at (504) 658-8600.